MARCH 28, 1966

BRAZIL'S FARM OUTPUT
REFLECTS ECONOMIC UPTREND

PROGRESS REPORT
ON LATIN AMERICA

FLORIDA'S OVERSEAS
MARKET PROGRAM

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FOREIGN AGRICULTURE

Including FOREIGN CROPS AND MARKETS

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MARCH 28, 1966

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Workers above are picking coffee beans on a Brazilian plantation. Last year's high outputs of coffee and other farm products and their effect on Brazil's economic situation is discussed in the article beginning on page 3.

Contents

3 Brazil's 1965 Farm Production Reflects Economic Uptrend

6 Bank Surveys 5-Year Social Gains in Latin America

7 Grenada—Spice Island of the Western Hemisphere

8 Specialists Offer a Rounded View of Foreign Agricultural Trade

9 Livestock Gets Emphasis in Florida's Program To Widen Overseas Markets for Farm Products

10 First U.S. Cotton Sale Under New Price Law

11 Feed Trade Exhibit-Seminar at Tokyo Trade Center Draws Top Japanese Tradespeople

12-15 World Crops and Markets (Commodity index on page 15)

16 Despite Improvements, World Still Faces Food Deficits in 1970

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Brazil's 1965 Farm Production Reflects Economic Uptrend

The paradoxical agriculture of Brazil—temperate in the midst of the tropics—is responding strongly to the country's steady industrial and economic growth.

By SAMUEL O. RUFF
Foreign Regional Analysis Division
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Brazil's record year in agriculture in 1965 stands out in bold contrast to the dismal records of the early 1960's—particularly in 1964. Allowing for some gains in non-agricultural sectors, agricultural output was the principal factor in reversing the steady downtrend in economic output beginning in 1961. Output reached an index of 129, up 24 percent from the low of 1964, and 10 percent above the previous record set in 1963. This achievement is of far-reaching importance to Brazil's 82.2 million people in terms of its impact on gross national product, food supply, and foreign exchange reserves.

The gross national product increased by 7 percent in 1965 for a per capita output estimated at $260. Food output was up 10 percent to a record index of 109 per capita —more than enough to maintain the basic diet of a population with an annual growth rate 3.1 percent.

Reports indicate that the balance-of-payments surplus achieved in 1964 for the first time in several years continued in 1965, due largely to increased agricultural earnings which account for over 80 percent of total exports.

The recovery in agricultural output from the near stagnation of 4 previous years can be largely credited to two factors: Excellent weather and response to the momentum of economic development in east and south Brazil. Most progress has come to the "golden triangle" of São Paulo–Rio de Janeiro–Belo Horizonte. The year's favorable weather ended a series of disastrous growing seasons marked by frosts (1963), drought (1964), and excessive rains in several years. Last year produced a remarkable output of every important crop, except wheat, castorbeans, and dry beans. A less obvious but equally important factor was the stimulus of continued progress in the shift from subsistence farming to commercial output.

Greatest gains in crop output

Crop output was responsible for most of the 1965 uptrend in agricultural production, with a total increase of 28 percent, or 22 percent per capita.

Total grain production rose 22 percent above 1964 and was 18 percent above the previous high of 1963, in spite of a decline in wheat production. Corn production accounted for most of the gain with a spectacular rise of 31 per cent to 12.3 million metric tons due to increased plantings and higher yields.

Rice, second in importance only to corn, increased 8 percent to 6.3 million tons on an area that increased from 4.0 million to 4.3 million hectares.

Brazil's continued indifference to wheat was marked by the withdrawal of price supports and a production decline of nearly one-fifth to 245,000 metric tons in 1965.

Brazil's principal export crops—the vital component that earns the bulk of the country's foreign exchange—yielded high export surpluses without exception. Coffee, the primary national export, recovered from the effects of the 1963 freeze that crippled the 1964 output and went on to triple that low production figure at more than 2.0 million tons. Although 1965 production was 28 percent above the 1960-64 average, it is nevertheless 25 percent below the record 1959 crop of 2.6 million tons.

Sugarcane production continued the 10-year uptrend for an estimated 8-percent gain to 68 million tons. After years of alternating drought and excessive rainfall, complicated by severe pod rot problems, good weather restored cocoa bean output to 159,000 tons. This represents a 37-percent increase from the previous year and the highest production since 1959. More growers perceptibly increased the use of insecticides in one 3-month period of 1964 than in all previous history.

Increased acreage and higher yields boosted tobacco output 39 percent to an alltime high of 190,000 tons. The southern crop of Rio Grande do Sul provided the increase. Cotton was up 7 percent to 491,000 tons; sisal, 11 percent to 240,000 tons; and jute, 11 percent to 50,000 tons.

The four main oilseeds registered a 13-percent gain in output over that of 1964. Substantial rises in peanut, cottonseed, and soybean output more than offset a 35-percent drop in castorbean output to 260,000 tons. Two edible oilseed crops set records: Peanuts were up 41 percent to 662,000 tons, with gains largely in São Paulo; and soybeans, up 49 percent to 452,000 tons, with greatest gains in Rio Grande do Sul. Cottonseed output was the third highest on record, exceeded only by 1962 and 1963 crops.

Production of pulses, vegetables, and fruit showed mixed trends in 1965. Dry bean production was down 1 percent from the 1964 level to 1.9 million tons. Output of starchy roots—cassava, potatoes, and sweetpotatoes—at 27.9 million tons was 3 percent above 1964. Tomatoes, bananas, pineapples, and watermelons made minor gains.

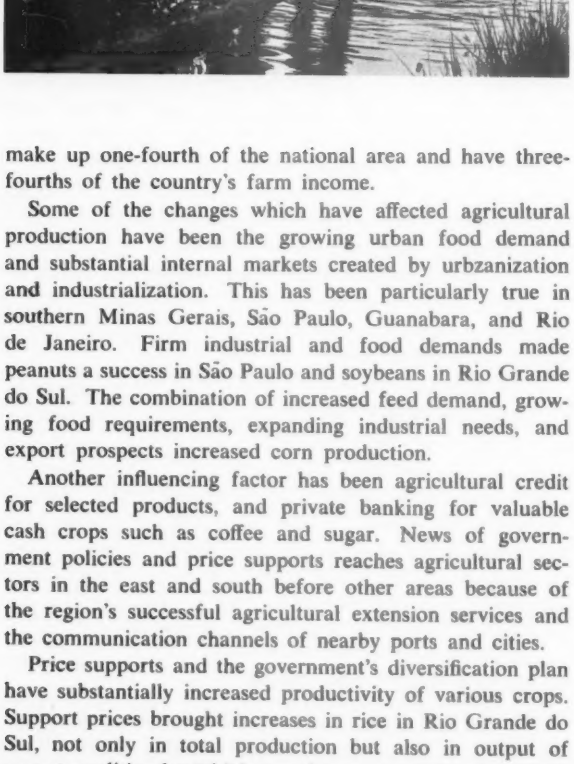
Gains in livestock not enough

While livestock production was up nearly 3 percent in 1965—sustained by good pasture conditions and a record corn crop—per capita output declined. Pork output was a record, but beef production, up 4 percent to 1.4 million tons, failed to reach levels of 1958 and 1959. The increase in pork production was 11 percent to 513,000 tons. Paradoxically, these gains did not solve continuing meat shortages in urban areas because of greater increases in the population. Milk output was up 12 percent to an alltime high; wool output increased by 4 percent.

Effect of regional economic development

The momentum of economic development and urbanization in Brazil, largely confined to the east and south, is adding a perceptible impetus to agriculture and accounts for many of the increases in production. These regions

At right, São Paulo women rake coffee beans; coffee is Brazil's chief export. Below, agriculturalists inspect an experimental rice field, planted and fertilized in a program directed by the University of Wisconsin and São Paulo University. Yield was fourfold that of unfertilized rice.



make up one-fourth of the national area and have three-fourths of the country's farm income.

Some of the changes which have affected agricultural production have been the growing urban food demand and substantial internal markets created by urbzanization and industrialization. This has been particularly true in southern Minas Gerais, São Paulo, Guanabara, and Rio de Janeiro. Firm industrial and food demands made peanuts a success in São Paulo and soybeans in Rio Grande do Sul. The combination of increased feed demand, growing food requirements, expanding industrial needs, and export prospects increased corn production.

Another influencing factor has been agricultural credit for selected products, and private banking for valuable cash crops such as coffee and sugar. News of government policies and price supports reaches agricultural sectors in the east and south before other areas because of the region's successful agricultural extension services and the communication channels of nearby ports and cities.

Price supports and the government's diversification plan have substantially increased productivity of various crops. Support prices brought increases in rice in Rio Grande do Sul, not only in total production but also in output of export qualities for which premiums were paid. Favorable support prices also brought excess plantings of cane in São Paulo that have resulted in an excess sugar production—an embarrassment to the Sugar Institute.

The government's policy of diversification, which removed a fraction of the land from coffee by the destruction of old trees, has nevertheless increased production of coffee through better care of remaining trees and the planting of new ones. (Freezing and drought in 1963 and 1964 killed large numbers of the newly planted coffee trees along the sandy shores of the Paraná River but they were replaced by peanuts, soybeans, and pasture.)

Part of the success of the cacao crop is accounted for by price supports and the activities of the Executive Commission for the Rural Economical Recuperation Plan of Cacao Growing Regions (CEPLAC).

In contrast, agricultural response in Bahia has been restricted by less favorable agricultural conditions, relative isolation from the "golden triangle," and proximity to the northeast where progress has been lagging. Crop results give a mixed record. Castorbean output, one of the major contributions from Bahia, was off 35 percent at 260,000 tons, offsetting increases in cocoa production.

Favorable outlook for 1966

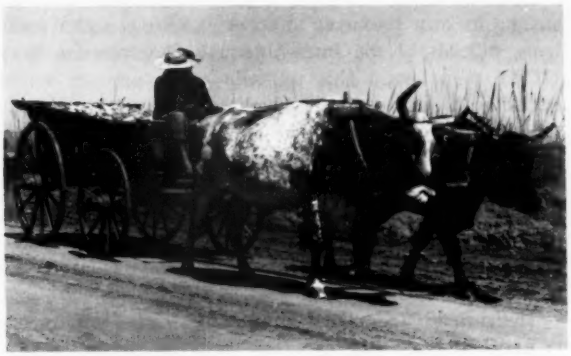
The outlook is that 1966 will largely duplicate the favorable agricultural progress in 1965. This is the current forecast in spite of heavy rains in December 1965 and January 1966 which may cause some crop damage. Planted area, prices, prospects for economic growth, and government policy point in the same positive direction.

The government has prepared a new look in price control and support policy aimed at a maximum increase of 6 percent in food prices for 1966. It attempts to provide a strong incentive for increased agricultural production which would hold consumer prices in line. Meat and livestock price controls, except for second-grade beef, were removed in December.

A new price support system was announced for crops. Instead of the government's former system of buying crops at minimum price and then reselling them, the government will give farmers agricultural credit to produce and market their own crops.

Official forecasts put rice, soybean, and bean output at about the same level of 1965. Peanuts may be up 25 percent and corn down about 7 percent. The dip in the corn forecast is tentative and predicted solely on the basis

Clockwise from left: ginning Brazilian cotton; Rio Grande do Sul farmer on way to market; black Santa Gertrudis bull with herd of Charolais heifers on Brazilian ranch.



of excessive rains. The removal of livestock and meat price controls brought initial price boosts, but the government expects that in the coming months increasing supplies will appear in normal market channels to decrease and to stabilize prices. Coffee production should continue at a high level.

Early forecasts cited reduced acreage and reduced sale of cottonseed as evidence of the progressive curtailment of cotton. Later reports, however, have indicated that the crop on this smaller area is so good that it may yield 310,000 tons and leave an export surplus of 140,000 tons above domestic requirements.

Trade prospects good

Brazil is improving its position as a leading world agricultural exporting nation, offering increasing quantities of typically Temperate Zone exports—among them soybeans, grains, and livestock products—along with basic tropical items such as coffee, sugar, and cocoa. Brazil's progress was clearly marked in 1965 in the case of corn and rice, but should not be exaggerated. The reported value of the combined exports of these two grains was still only $52.8 million—less than the value of sugar exports at $57 million. The value of soybean and peanut exports were each in excess of that of brazil nuts, but still way below castor oil at $36.8 million.

Brazil's large cotton exports (preliminary statistics indicate 191,000 metric tons in 1965) are expected to drop sharply in 1966 as increasing domestic requirements take a larger share of a smaller crop. Meat exports set a record in 1965 with a total value of $37.8 million for the first three quarters.

Efforts to increase corn exports in 1965 provide a good illustration of the range of problems faced by Brazil in efforts to increase agricultural exports. Early reports forecasted an export surplus of about 2 million metric tons in 1965, considering domestic requirements and allowance for seed, waste, and loss.

However, Brazil was not prepared to handle movement of the surplus; storage was critically short in producing areas, and transport was lacking, particularly railroad cars. It was still believed as late as July that 1 million tons might be shipped from Santos and 500,000 from Paranagua. However, the lack of port storage caused acute congestion at Santos where the only available storage was limited numbers of railroad cars and trucks covered with tarpaulins.

In addition, new bulk loading facilities installed at Santos for the 1965 exports broke down frequently, multiplying the storage problems and adding demurrage and other shipping costs. Although much of the congestion at Santos was cleared by September, the final estimate on corn exports for the year was 625,000 metric tons, barely 31 percent of the forecast.

Government and the industry have now pinpointed corn export problems and are taking action aimed at their ultimate solution. A national campaign for wire corncrib construction is underway to reduce moisture problems and improve on-farm storage. International loans are being sought to improve port storage and handling facilities at Santos and Paranagua.

Brazil's apparent indifference to declining wheat output indicates that it will continue to be an expanding market, wheat being the country's principal agricultural import. In recent years, the United States and Argentina have been the principal suppliers of this important wheat market, expected to total about 2.5 million tons in 1966.

Bank Surveys 5-Year Social Gains in Latin America

Latin America is making significant progress in marshaling its own resources to solve its serious social problems, officials of the Inter-American Development Bank (IDB) point out. This self-help effort appears to be heralding "a lasting trend" which has become increasingly evident over the past 5 years.

According to the Bank's review of social gains made since the Alliance for Progress was launched by President Kennedy in 1961, the Latin American countries have increased their capacity to stimulate private investment and have made encouraging progress in planning their development.

The review is contained in an analysis of 5-year trends in Latin America as a whole and on a country-by-country basis in the areas of agriculture, mobilization of domestic resources, developmental planning, public health and environmental sanitation, education, and housing.

This analysis—the Fifth Annual Report of the Social Progress Trust Fund—was published under the terms of the U.S.-IDB agreement by which the Bank administers the Trust Fund to stimulate social development in Latin America as part of the Alliance for Progress.

Sustained development needed

The report points out that although Latin America's progress toward mobilizing its own resources is significant, its problems—including rapid population growth—are so great that, in the long run, only sustained economic development is likely to solve them.

In the fields of housing, public health, and sanitation, for example, the report says "deficits are critical and their very existence points to poor physical living conditions for most of the people."

Some progress, although not readily perceptible, has been made in agriculture and education. The report notes: "Perhaps the main achievement is the considerable degree of understanding revealed by most of the countries that educational reform and the modernization of agriculture are the cornerstones of future development."

In connection with the Bank's support for social progress and reform in Latin America, the report shows that in the 5 years ending December 31, 1965, the Bank authorized 117 loans totaling $501,233,534 from the Social Progress Trust Fund. Of these, 15—totaling $51,199,000—were authorized in 1965. During the same 5-year period, the Bank committed $6,870,044 in technical assistance grants from the Trust Fund.

The distribution of these loans was $89 million or 18 percent for land settlement and improved land use, $218 million or 44 percent for low-income housing, $162 million or 32 percent for water supply and sanitation, and $32 million or 6 percent for higher education. The aggregate cost of the projects financed partly with IDB loans amounts to nearly $1.2 billion.

Agricultural growth lags

Looking at Latin America's agricultural situation, the report notes farm production as a whole continues to develop at an unsatisfactory rate. To meet growth targets, total agricultural production should be growing at a minimum rate of 4 to 5 percent annually—a rate being met by only a few countries. By and large, production seems to be growing by between 2 and 3 percent a year. With a 3-percent annual population increase, per capita farm output appears stationary. This is especially serious in the case of food for domestic consumption.

Among the countries doing rather well, the report points to Mexico, Venezuela, Bolivia (during the past few years), and Nicaragua. On the other hand, it cites Argentina, Colombia, Chile, Uruguay, Haiti, and Paraguay among countries where the rate of farm expansion has been low.

"Most of the increase in production in recent years has been accounted for by commercial export crops such as sugar, bananas, and cotton," the report continues. "Many staple foodstuffs for domestic consumption have generally registered slower growth rates. The most disappointing performance has been that of the livestock industry. Crop output has grown approximately twice as fast as livestock production, and per capita output of such nutritionally important products as meat, milk, and eggs seems to have actually declined."

Agricultural imports seem to be rising faster than domestic production. In Peru, for example, food imports increased from $56 million in 1960 to $73 million in 1952 and $104 million in 1964. Chile's food imports in 1963-64 reached $156 million.

Little change in agrarian structure

Much of Latin America's agricultural problem stems from its agrarian structure. As the report points out, "Four years have now passed since the governments pledged to modify their defective agrarian structures and to replace the prevailing minifundia-latifundia (dwarf or excessively large holdings) pattern with a more equitable and productive system of land distribution, tenure, and use. Yet it would be unrealistic to believe that agrarian structure can be substantially improved in a short time. Even under the best circumstances, agricultural change is slow to take hold and mature, especially when reforms involve fundamental shifts in human institutions and the distribution of power, income, and status."

The report adds that while the fundamental pattern of agrarian structure in general has not changed in the past few years, some of the worst abuses of semi-feudal land ownership are being eliminated and some irreversible changes are taking place in rural social relations.

An unusual amount of legislative activity has characterized the search for agrarian reform over the last 5 years. "Perhaps the most immediate visible consequence of the new land-reform laws has been the establishment and strengthening of governmental agencies entrusted with implementing reforms. While these agencies are not yet financially, administratively, or politically strong, they represent a potentially significant development in terms of new public concern and the assumption of growing responsibility for the welfare of rural inhabitants."

Little land distribution has taken place in the past 5 years, the report notes, and, as is to be expected, the countries that have made the most progress are those whose agrarian reform efforts began earlier.

Grenada—Spice Island of the Western Hemisphere

Grenada is the southernmost tiny island of the crescent string in the Caribbean making up the Windwards. Tropical, lush, and picturesque, this British colony has earned its title as the Western Hemisphere's only spice island with its million-dollar business in the production and export of nutmeg.

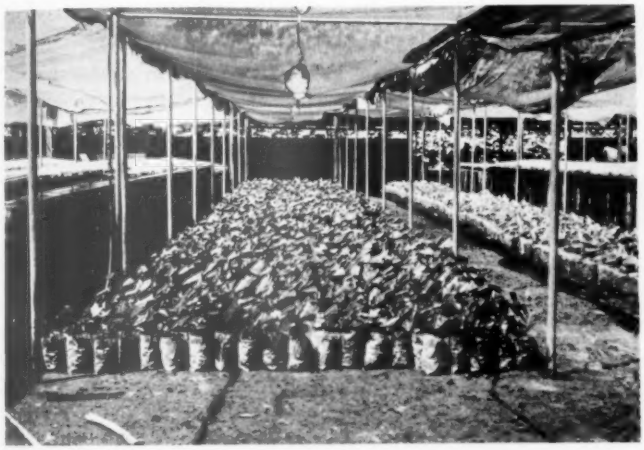
Together with cocoa and bananas, Grenada's shipments of nutmeg and nutmeg products annually account for 95 percent of cash exports. In 1964 Grenada exported 1.5 million pounds of nutmeg—265,000 to the United States, an equal amount to the United Kingdom, and the balance to Canada and Western Europe. In 1964 the island earned $1.5 million from nutmeg products, $1.4 million in cocoa beans, and $1.2 million in the export of bananas. But nutmeg is the specialty.

The tree is native to the Molucca Islands of Indonesia—the territory which still holds first place as a nutmeg exporter—and is believed to have made its way to Grenada with indentured East Indians who were brought to the island in 1857 to replace freed Negro slaves.

Good growing conditions

The island's fertile soil, ample rain (75 to 140 inches or more a year), and brilliant sunshine ideally suit Grenada for spice growing. The trees, seen on the island's hillsides, reach full bearing when 15 years of age, after which they bear crops annually for 20 years. The fruit is yellow, about the size of a peach, and in its center is the nut or "meg" as the islanders call it. When the fruit is ripe it splits evenly in half. The dark meg is lightly suspended between the halves for 24 hours, then drops to the ground.

The island women gather baskets of the megs from



Above, cocoa seedlings growing under shade; below, wife of U.S. Agricultural Attaché Frank Ehman holds tray of nutmegs and mace.

Above right, cocoa agronomist from Grenada's Mt. Hope Cocoa Station studies a young nutmeg tree grown from a rooted cutting; below, cow wanders near banana grove.

August through November, then store them waiting for export orders. Then the nutmegs are floated and graded, cracked and shipped. Cracking is still done by hand using wooden mallets on wooden anvils, with an average of two 180-pound bags cracked per day from July to November.

Mace—a spice most popularly used to flavor and preserve meat—is the red tracery that covers the nutmeg. It is removed, dried to a yellow color, then ground. Nutmeg oil is ground from nutmegs which have remained on the ground too long and become blemished. It has an important solvent use in the preparation of pharmaceuticals.

The island's location in the Hurricane Belt presents a constant threat to the nutmeg trees. In recent years tropical storms destroyed enough producing trees to cut exports nearly in half since the $2.7-million crop in 1958. While recovery has been slow, increases have been steady. Many damaged trees were replanted with fast-growing competing crops, while nutmeg plantings began their maturation.

Data from 1964 and 1965 are not available, but it is estimated that Grenada's nutmeg production for these 2 years will be slightly larger than in 1963. That year production of nutmegs cured in the shell was 3,376,260 pounds; mace production was 290,870 pounds.

Cocoa, bananas grown for export

Grenada has also gained a reputation for producing quality cocoa for blending which commands a premium. Since Grenada has no cocoa mills, only the dried beans are exported. World prices have been low, but Grenada looks to an optimistic future.

Bananas too are growing in importance on the island. They are quick yielders and were a favorite fill-in crop following Hurricane Janet in 1955. Over 90 percent of the crop is exported—most of it to the United Kingdom.

—FRANK W. EHMAN
U.S. Agricultural Attaché, Trinidad

Specialists Offer a Rounded View of Foreign Agricultural Trade

Foreign Agricultural Trade: Selected Readings, published in February by the Iowa State University Press, Ames, presents to the serious reader—whether he is in the academic world, in government, or in the world of commerce itself—an unusual opportunity to broaden his understanding of this complex subject.

The book's editor, Dr. Robert L. Tontz,[1] has put it together in such a way that it becomes the equivalent of seminar sessions with prominent figures in academic research, government departments, and international organizations.

The book contains 46 studies (or excerpts) on 5 major topics. Part I treats trade theory and policy; Part II, trade programs, including Food for Peace shipments; Part III, trade barriers, both tariff and nontariff; Part IV, trade stabilization, stressing commodity agreements; Part V, trade expansion, with emphasis on the General Agreement on Tariffs and Trade.

The editor made his selections with three main aims:

- "Inclusion of substantive contributions relating to actual agricultural trade problems and opportunities of the present and possibly future decades;
- "representation especially of contributions benefiting from the scholarly progress and experience of the present along with that of the past; and
- "Coverage where possible of some of the principal viewpoints in each of the major areas of the subject in the original and uncompromised words of the various authorities."

The volume is intended primarily for classes discussing the history and economics of international trade in agricultural products. But it will also be a useful tool for U.S. Government officials charged with evaluating past and present U.S. farm trade policies and with formulating future ones. In addition, it will help provide perspective for agricultural trade specialists of other governments and of intergovernmental bodies.

In his preface, Dr. Tontz points out some of the values of the "selected readings" approach, besides that of presenting different viewpoints. He feels that this approach has the same advantage as the seminar, in providing up-to-date, varied, and specialized references—but without the seminar's disadvantage of requiring the student to spend time in obtaining these references himself from the library and elsewhere. Indeed, as Dr. Tontz says, such readings can give ready access to many writings not otherwise available. Certainly some of them would be absent from the library of the average university or city.

Finally, Dr. Tontz states, this approach permits the attainment of greater balance and continuity in classwork "by focusing on specific trade problems and solutions in the major areas of the enormous literature on the subject." To the reader tackling these questions by himself, this focus will be equally valuable.

Each of the book's major sections has the effect of a lively panel discussion, with Dr. Tontz as chairman. His contributors freely quote and contradict each other, while he provides the background information the reader needs to identify the participants and follow their major arguments from article to article. Since they have not only a healthy diversity of opinion but a wide variety of specialization, they help the reader walk all around each main topic to test their various views of it.

For example, Part II (on trade programs, including Food for Peace shipments) focuses on its subject through the eyes of 17 authors, at present or formerly attached to 14 institutions: 8 universities (Iowa, Stanford, Michigan, Purdue, Minnesota, Chicago, Cornell, Malaya); the Departments of Agriculture and State; FAO; and the Governments of India, Denmark, and Australia. Three articles entitled "Foreign Surplus Disposal" illustrate in their subtitles the editor's conscious attempt to present differing points of view: "The Indian Perspective," "The Competitor's Perspective," and "The International Perspective."

The editor provides a brief introduction to each major part. He also summarizes each contribution—a valuable service when the material is especially difficult. In general, however, as he points out, the studies are presented in highly understandable form.

[1]Dr. Tontz is Chief, Trade Statistics and Analysis Branch, Foreign Development and Trade Division, Economic Research Service, USDA.

Livestock Gets Emphasis in Florida's Program To Widen Overseas Market for Farm Products

The State of Florida recently launched an agricultural export drive aimed first at expanding shipments of livestock, especially breeding cattle, but intended eventually to promote all Florida agricultural products overseas.

An important vehicle for this promotion is the Florida International Agricultural Trade Council, a nonprofit corporation that works closely with the Florida Department of Agriculture (FDA). Originally an association of individuals and groups with an interest in the livestock industry, the Council recently added a representative of Florida's poultry industry to its Board of Directors and hopes to include other commodity groups.

Begun 3 years ago, the Council program moved into higher gear last year with two events marking the growing interest in export markets by Florida's livestock industry.

Florida's ports are seeing stepped-up activity as the State boosts its exports of breeding stock. Here beef and dairy cattle are loaded at Tampa, major outlet for livestock exports, for delivery to buyers in Venezuela.

Endorsed livestock shipment

First was the shipment of 330 head of beef and dairy breeding cattle to Venezuela from Tampa last June. Though not the largest shipment of cattle from the Sunshine State, this one was endorsed by Florida's Department of Agriculture and cattle breeders throughout the State as representative of the service Florida cattlemen can provide foreign buyers.

FDA, in cooperation with the shipper and FAS, sent a livestock marketing specialist to care for the cattle en route to Venezuela and after arrival, note how transportation could be improved, and meet with ranchers and FAS personnel.

According to John D. Stiles, Director of FDA's Division of Marketing, "This shipment was a real rallying point for Florida cattlemen and generated much interest in the State in expanding exports of all products."

Second impetus for Florida's export drive was the visit to South America last summer of State Commissioner of Agriculture Doyle Conner and a group of Florida cattlemen. The Commissioner became convinced that the Latin American market for Florida cattle could be widened substantially. Not long after his return, the State took on a livestock specialist to deal solely with the export and promotion of Florida cattle, pigs, and horses.

Following this, brochures were published in Spanish and Portuguese to inform Latin American buyers of the types of Florida livestock available to them and to invite them to visit Florida and see for themselves. In December, FDA ran an ad with a similar message in the Spanish-language agricultural publication, *La Hacienda*.

Expanding livestock promotion

This year will see wide expansion of Florida's export program, with the initiation of a number of new projects.

• Representatives from FDA and the Florida Cattlemen's Association attended the Verona Cattle Fair in Italy March 13-21, where 10 head of Florida Brangus, Braford, Charolais, and Santa Gertrudis cattle were shown and Italian brochures showing the types of Florida livestock available were distributed.

• Florida breeders plan to attend every big Latin American livestock show. Whenever possible, Florida products other than livestock will also be exhibited. First will be the Central American Cattle Fair—largest show of this type in the area—in April. Commissioner Conner will head the delegation to the fairgrounds in Guatemala City. Central American cattlemen will be invited to visit Florida for livestock fairs, tours, and meetings with breeders.

• About 200 Latin American cattlemen will be invited this year to attend the beef and dairy cattle short courses held at the University of Florida each spring. Slated for early May, the courses will emphasize marketing, and an FAS marketing specialist will address the group. Unique in this year's program will be simultaneous translation into Spanish of all proceedings. Florida is the only State to invite large groups from other countries to such seminars.

Latin American officials here

• Some time this summer Florida plans to hold a conference for Latin American Secretaries of Agriculture aimed at giving them an opportunity to exchange marketing ideas with Florida agribusiness leaders. FDA officials hope the conference will further Florida's relations with Latin America and better meet the needs of its livestock buyers.

Florida's biggest livestock market is for breeding cattle, both dairy and beef. In 1964, the latest full year for which figures are available, the State exported 1,763 head of beef breeding cattle—ranking second after Texas—and 1,065 head of dairy breeding cattle. Purebred Brahmans, at 1,471 head, led the beef category while Holsteins, at 583, and Brown Swiss, at 397, were tops among dairy cattle exports.

All but about 80 of these cattle were shipped to Latin America, with Venezuela top market for both beef and dairy cattle. In 1964, that country imported 479 head of beef and 439 head of dairy breeding cattle from Florida. Other big markets for beef cattle were Nicaragua, El Salvador, Costa Rica, and Guatemala; big ones for dairy cattle were the Dominican

Republic and the Bahama Islands.

Realizing the growing importance of the export market to Florida growers and breeders, the Trade Council asks all its members to subscribe to a "Code of Ethical Practices in the Marketing of Products." Those signing affirm that they will ship only quality products which comply with all health regulations and conform to buyers' specifications.

Florida's big chick-egg exports

The recent addition of a poultry industry representative to its Board of Directors was the Council's first step toward diversifying the commodities it promotes in overseas markets.

Demand in the Caribbean and Latin America for U.S. baby chicks and hatching eggs has developed in Florida a large export business in these products. Heretofore, promotion has been carried on by individual firms, some of which have their own foreign representatives, as well as by exporters with an active trade between Florida ports and southern markets.

Movement of Florida's baby chicks and hatching eggs is primarily via Miami International Airport, which also serves as an outlet for producers in many other states.

The United States exported about 11.6 million baby chicks and 4.1 million dozen hatching eggs to the Caribbean and Central and South America in 1964, much of which moved through Florida. In addition, Florida seaports, especially Miami and Jacksonville, are major outlets for U.S. exports of ready-to-cook poultry to the Caribbean and Puerto Rico.

Fruit and vegetable markets

The export market is also important to the Florida fruit and vegetable industry. Promotion of citrus products is handled by the Florida Citrus Commission, which cooperates with FAS in market development. Operations were suspended after the freeze damage of December 1962, as supplies were short and prices high. Now, with plentiful supplies and lower prices, the citrus industry is making a renewed effort to expand the overseas market for processed citrus and fresh grapefruit. Major emphasis is being put on concentrated orange and canned grapefruit juices.

Canada, primary market for Florida's fresh produce, takes large quantities of fresh winter vegetables and significant amounts of fresh and processed citrus. The Canadian market is quite similar to that of the United States, and special promotion is not considered necessary.

Europe has taken small quantities of Florida's fresh celery and a few other winter vegetables. In attempts to expand this market, transportation has proved a major stumbling block, but the State recently began to promote its fresh produce in Europe in cooperation with Pan American Airways and Trans World Airlines. The Caribbean market is small but important for seasonal vegetables.

Improved port facilities

Stepped-up activity to sell more Florida products—agricultural and otherwise—abroad has led to a corresponding move toward improving the State's port facilities. With ample ports, a relatively stable water level throughout the year, storage space, and equipment for easy loading and unloading, Florida also hopes to attract northern shippers during the winter.

This year, millions of dollars will be poured into diversifying facilities at the State's 14 major seaports. At Tampa, Florida's principal port for agricultural exports, a project is underway to expand warehouses and provide pens and loading facilities for 500 head of cattle. These will be designed for easy expansion as it becomes necessary. Tampa in 1965 reported a record cargo year, doing a thriving export business in cattle and a new money-maker—phosphate.

Two other west coast ports, Pensacola and Panama City, have earmarked some $5 million for diversification. In Pensacola, plans also include massive storage facilities and the first trade center on Florida's gulf coast.

Over on the Atlantic, the ports of Palm Beach, Port Everglades, and Jacksonville expect to add new terminals and wharves, with a $100 million expenditure anticipated for Jacksonville alone. Miami, where new facilities were opened last year, is reporting substantial rises in cargo revenue as a result. A project to ease shipment of livestock is also underway at Miami International Airport.

First U.S. Cotton Sale Under New Price Law

The United States has just made its first sale of Upland cotton under the new cotton legislation—delivery will begin August 1, 1966—with prices at 22.23 cents per pound. This compares with a U.S. price support loan of 21 cents per pound and the average price of about 24.11 cents per pound at which cotton has been sold recently for immediate delivery.

Price was based on Middling 1-inch having a micronaire reading of 3.5-4.9 at average location. Offers were received from 106 firms on 338,974 bales of cotton and accepted on 93,712 bales. The New Orleans office is notifying successful firms, and in its regular press release will name buyers and amounts purchased.

This first sale for marketing year 1966-67 marks a reduction in price which will make U.S. cotton more competitive in world markets.

European buyers have held back purchases waiting to see how the new U.S. legislation would affect U.S. cotton prices and those of our competitors while their stocks dropped to the point where sizable replenishment may be demanded next season.

The law provides generally that cotton will be sold for not less than the higher of the market price, as determined by the Commodity Credit Corporation, or the applicable loan rate. In determining the minimum acceptable price for this first sale, USDA officials studied the recommendations of producers, cooperative marketing associations, cotton merchants, and others, with due consideration to the problems of other countries.

Prices were set in keeping with the intentions of Congress in providing price support for the 1966 crop at 21 cents—90 percent of the estimated world price of cotton for that season. The Food and Agricultural Act of 1965 provides that support for each of the next 3 years shall be no less than 90 percent of the estimated world price of cotton for those years.

It is expected that the minimum acceptable price for future sales under this new law will remain at today's level through the heavy marketing season this fall. Thereafter, the minimum acceptable price will be increased gradually to reflect a big part of the carrying charges on cotton.

Examining Continental Grain's model of a grain elevator and conveyor are (l-r) George Dietz of C.G., FAS Administrator Raymond Ioanes, U.S. Ambassador Edwin O. Reischauer, and Charles Baertl, C.G. representative in Tokyo.

Feed Trade Exhibit-Seminar at Tokyo Trade Center Draws Top Japanese Tradespeople

The large number and high caliber of Japanese agricultural leaders attending the U.S. Feed Trade Exhibit and Seminar at the Trade Center in Tokyo March 7-18 was the factor most remarked upon by U.S. feed industry participants.

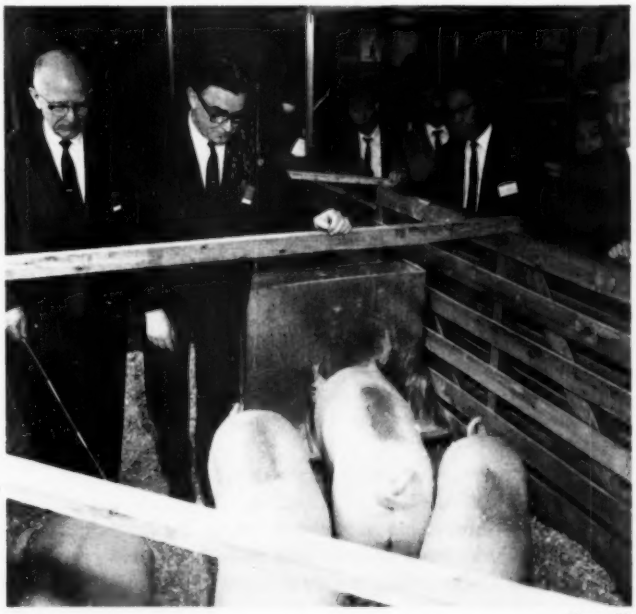
Sixteen U.S. firms producing poultry and swine-breeding stock, feed additives, ingredients, and feed grains had exhibits and representatives at this promotion in U.S. agriculture's largest overseas market.

Joseph Patrick, representative of Bunge Corp., said: "The traffic at our displays and the keen knowledge of the Japanese have far exceeded our pre-exhibit expectations. We are greatly impressed by the huge potential of Japan as an even bigger buyer of U.S. feed grains." Cargill representative Ian M. Watson noted the large percentage of the Japanese feed and animal husbandry tradespeople who stopped by his exhibit.

The event was sponsored by FAS, the U.S. Feed Grains Council, National Renderers Association, and American Soybean Association.

Awaiting the throngs of Japanese tradespeople and officials who daily attended the show and seminar is the exhibit area (above) with its brightly lit photos.

Right, seminar speaker E. D. Griffin of Chicago (l) and USFGC official Clarence Palmby show some Japanese tradespeople an exhibit of hogs, and below, Mr. Palmby addresses a seminar session.



Denmark's Butter Exports Rising

Exports of butter from Denmark in 1965, estimated at 248 million pounds, were 8 percent above those of 1964.

Sales to the United Kingdom—the principal market—which increased more than 11 million pounds to 217 million pounds, accounted for 87 percent of the total. A year ago, the United Kingdom took 90 percent. Shipments to West Germany, 5 million pounds, and Czechoslovakia, 3 million pounds, were practically unchanged from those of 1964. Exports to Switzerland were down 35 percent to 5 million pounds. Shipments to other minor markets generally increased over 1964.

Sales of cheese were down 9 percent to 164 million pounds, largely because of considerably reduced sales to West Germany, the leading market. In 1965, sales totaled 79 million pounds; in 1964, 94 million. Shipments to Italy declined from 11 million pounds to 8 million. Smaller quantities went to Switzerland, Austria, Belgium, and East Germany. Exports to France rose 3 million pounds to 8 million. Sales to the United Kingdom, 21 million pounds, Sweden, 10 million pounds, and USSR, 7 million pounds, were unchanged from 1964.

France Increasing Nonfat Dry Milk Output

France's production of nonfat dry milk has been increasing in recent years in line with generally increasing milk production and the installation of additional drying plants. The upward trend is expected to continue in 1966.

Several new drying installations were completed in 1965, raising output during the latter part of the year above the 1964 level. Production of nonfat dry milk (including partly skimmed dry milk) is estimated at 750 million pounds for 1965, compared with 521 million in 1964. Output in 1966 is forecast at over 880 million pounds.

According to preliminary estimates, France exported 159 million pounds of all types of nonfat dry milk in 1965. Exports in 1966 may rise to 330 million pounds. The remainder of the increase in production will be used domestically, mainly as livestock feed.

Israel's Citrus Export Picture Brightens

For some time, there has been increasing concern in Israel over the long-term outlook for citrus as a major factor in the agricultural economy and export earnings. The November 1965 decision of the European Economic Community to fix a minimum price on oranges triggered further anxiety among Israeli citrus producers and government officials during this citrus marketing season (November-March). The belief that the citrus industry would incur heavy losses from the EEC reference price system was strong.

Recent reports, however, indicate that both in the EEC countries and in the United Kingdom, Israel's Shamouti oranges and grapefruit are commanding higher prices (above EEC reference price levels) than they did a year ago. Israel is also taking a larger share of its principal citrus markets, since Spanish shipments to the EEC are down 7 percent and to the United Kingdom down 22 percent from their 1964-65 levels. With good prices, income from citrus exports should be relatively high.

Shipments of Israeli citrus to all foreign outlets from the beginning of the season to February 8 were 6.1 million boxes, compared with 5.1 million in the same period of 1964-65. Shamouti oranges made up about two-thirds and grapefruit 22 percent of this year's total.

South Africa's 1966 Canned Fruit Pack

The 1966 South African canned peach pack has been tentatively forecast at 4,700,000 cases, compared with 4,283,000 cases a year earlier. Clingstones, which comprise approximately 95 percent of the total pack, are expected to increase 10 percent over 1965 production.

Exports are expected to continue their upward trend and total 4,000,000 cases. Of the 3,570,000 cases exported during the 1964-65 marketing year, approximately 91 percent were shipped to the United Kingdom.

The canned pear pack is forecast to increase from 1,126,000 cases in 1965 to 1,240,000 cases in 1966. Reportedly, the pear trees did not fully recover from hail damage inflicted during the early part of 1965.

Exports of the 1966 pack may total only 1,000,000 cases—down slightly from the 1,046,000 cases exported the previous year, of which the United Kingdom imported 974,000.

The current apricot pack is expected to be 250,000 cases smaller than last year's and total 830,000 cases. Exports are forecast to reflect the smaller pack and may reach only 780,000 cases, compared with 1,031,000 cases a year earlier. The United Kingdom is traditionally South Africa's largest overseas market.

Forecasts for the fruit salad and cocktail packs have not yet been received.

SOUTH AFRICA'S SUPPLY AND DISTRIBUTION OF CANNED PEACHES

Item	1965	1966
	1,000 cases, 24/2½	*1,000 cases, 24/2½*
Beginning stocks (Nov. 1)	(1)	(1)
Production	4,283	4,700
Total supply	4,283	4,700
Exports	3,570	4,000
Domestic disappearance	713	700
Ending stocks (Oct. 31)	(1)	(1)
Total distribution	4,283	4,700

[1]Not available.

Spanish Table-Olive Pack Revised

The revised 1965-66 Spanish table-olive pack is now estimated at 53,400 short tons—up 8,100 tons from the previous year, but lower than forecast. Olive production classified as exportable to the United States, Canada, and Puerto Rico is estimated at 45,200 tons or 85 percent of the total pack.

In spite of smaller supplies, total exports during 1965-66 are expected to reach 37,500 tons—the same as in 1964-65. Imports into the United States may rise sharply, since shipments of olives eligible for the three markets mentioned above may reach 34,700 tons, compared with 24,000 in 1964-65. The United States is by far the largest market for Spanish olives.

SPAIN'S TABLE-OLIVE SUPPLY AND DISTRIBUTION

Variety	Beginning stocks	Production	Total supply
SUPPLY			
1964-65:[1]	*Short tons*	*Short tons*	*Short tons*
Exportable varieties:[2]			
Manzanilla and similar	9,700	14,600	24,300
Queens	6,300	4,900	11,200
Other	4,900	19,800	24,700
Nonexportable varieties	—	6,000	6,000
Total table olives	20,900	45,300	66,200
1965-66:[3]			
Exportable varieties:[2]			
Manzanilla and similar	1,100	30,900	32,000
Queens	1,100	14,300	15,400
Other	1,100	3,300	4,400
Nonexportable varieties	—	4,900	4,900
Total table olives	3,300	53,400	56,700

DISTRIBUTION	Exports	Domestic consumption	Ending stocks
1964-65:[1]			
Exportable varieties:[2]			
Manzanilla and similar	15,200	8,000	1,100
Queens	8,800	1,200	1,100
Other	13,500	10,200	1,100
Nonexportable varieties	—	6,000	—
Total table olives	37,500	25,400	3,300
1965-66:[3]			
Exportable varieties:[2]			
Manzanilla and similar	21,500	9,500	1,000
Queens	13,200	1,500	500
Other	2,800	1,700	500
Nonexportable varieties	—	4,500	—
Total table olives	37,500	17,200	2,000

[1]Revised. [2]Only manzanillas (and similar) and queens are considered by the Spanish Government as suitable for the U.S., Canadian, and Puerto Rican markets. Other exportable varieties are shipped elsewhere. [3]Estimate.

Average export prices (f.o.b. Seville) during the first 2 months of 1966 were lower than those in the same period of 1965. Whole and stuffed manzanillas and whole queens were 2 cents per pound lower, and stuffed queens dropped by 6 cents.

AVERAGE SPANISH EXPORT PRICES (F.O.B. SEVILLE)

Type	January-February 1965	January-February 1966
	U.S. cents per pound	*U.S. cents per pound*
Manzanillas:		
Whole	25	23
Stuffed	37	35
Queens:		
Whole	27	25
Stuffed	38	32

Suez Canal Northbound Shipments in January

Northbound shipments of oil-bearing materials through the Suez Canal in January, at 158,421 metric tons, were 57,857 tons above those in December and one-sixth above those of the previous January. Increased movements of soybeans and copra accounted for most of the rise.

In the October-January period of 1965-66, shipments of oil-bearing materials, at 498,143 tons, were 8 percent below those of the corresponding period a year earlier. Reduced movements of soybeans, peanuts, cottonseed, and flaxseed were partly offset by larger shipments of copra and sesameseed.

NORTHBOUND SHIPMENTS OF OIL-BEARING MATERIALS THROUGH THE SUEZ CANAL

Item	January 1965	January 1966	October-January 1964-65	October-January 1965-66
	Metric tons	*Metric tons*	*Metric tons*	*Metric tons*
Soybeans[1]	5,762	28,796	49,410	31,796
Copra	63,256	80,428	309,414	319,883
Peanuts	12,585	18,515	56,555	47,949
Cottonseed	16,501	18,106	45,526	36,910
Flaxseed[2]	7,233	—	8,945	—
Castorbeans	3,312	2,770	13,956	13,279
Palm kernels	4,190	1,507	10,563	8,714
Sesame	4,489	4,360	10,977	19,678
Others	19,082	3,939	37,830	19,934
Total	136,410	158,421	543,176	498,143

[1] Metric ton of soybeans = 36.7 bu. [2] Metric ton of flaxseed = 39.4 bu.
Suez Canal Authority, Cairo, Egypt.

Movements of soybeans, which amounted to only 110,000 bushels during the October-December quarter, exceeded 1 million bushels in January. However, aggregate shipments in the October-January period this year were 648,000 bushels below those in the comparable period a year before.

NORTHBOUND SHIPMENTS OF SOYBEANS THROUGH THE SUEZ CANAL

Month and quarter	Year beginning Oct. 1 1961	1962	1963	1964	1965
	1,000 bu.	*1,000 bu.*	*1,000 bu.*	*1,000 bu.*	*1,000 bu.*
January	2,907	622	661	212	1,058
February	548	451	590	923	—
March	627	255	233	1,692	—
Oct.-Dec.	919	13	19	1,604	110
Jan.-Mar.	4,082	1,328	1,484	2,826	—
Apr.-June	239	573	706	1,376	—
July.-Sept.	327	1,585	4,106	1,562	—
Oct.-Sept.	5,567	3,498	6,315	7,368	—

Totals computed from unrounded figures.
Suez Canal Authority, Cairo, Egypt.

Aggregate shipments of vegetable oils in the cumulative 4-month period October 1965-January 1966 amounted to 167,662 tons against 138,771 tons in the like period of 1964-65. This included shipments of 26,904 tons this January—6,333 tons below January 1965. The cumulative gain reflected increased movements of palm, peanut, sesame, and other oils not separately classified. However, movements of soybeans, castor, coconut, and tung oils declined.

Shipments of vegetable cakes and meals during the October-January period of 1965-66 totaled 510,214 tons against 549,678 tons in the corresponding months of 1964-65. The decline chiefly reflected reduced movements of peanut cake and meal, partly offset by larger movements of cottonseed cake and meal.

Canadian Rapeseed Exports Up Sharply

Exports of rapeseed from Canada, the world's leading supplier, were a record 218,589 short tons in January-October 1965. This was more than two and one-half

times the corresponding export volume in 1964. Strong foreign demand, in addition to the record 1965 crop of 570,000 short tons, accounts for these unprecedented exports.

Although Canada's major market for rapeseed continues to be Japan, which has increased its purchases and now takes about two-fifths of total exports, other traditional markets have also increased their takings. These include principally Italy, the Netherlands, West Germany, and the United Kingdom. In addition, new markets have been established in Czechoslovakia, Pakistan, and Poland, which together now account for over one-fifth of Canada's total rapeseed exports.

According to trade sources, producer marketings exceeded 375,000 tons during the August 1-February 23, period of 1965-66. This is 50 percent above the corresponding period a year earlier. Exports during the 1965-66 period reportedly amounted to nearly 190,000 tons and could reach 350,000 tons in the entire marketing year ending July 31, 1966, compared with 231,000 in 1964-65 and 130,900 in 1963-64.

Prices for Canadian rapeseed, basis European ports, were $130.90 per metric ton on February 25, somewhat below the average January price of $135.00 though 9 percent above the annual average price of $120.20 in 1965.

Based on March 1 planting intentions, acreage for the 1966 rapeseed crop is estimated at 1,368,000 acres, slightly below the corresponding figure of 1,385,000 acres in March 1965. In 1965, March planting intentions amounted to 96.5 percent of seeded acreage, which was a record 1,435,000.

CANADIAN RAPESEED EXPORTS

Country of destination	1962	1963	1964[1]	January-October[1] 1964	1965
	Short tons	*Short tons*	*Short tons*	*Short tons*	*Short tons*
United States	702	381	3,133	3,133	822
Belgium-Luxembourg	2,783	—	—	—	1,696
Finland	—	—	2,245	2,245	—
France	8,550	—	—	—	—
Germany, West	14,783	241	232	232	15,810
Italy	90,407	19,223	3,265	3,265	37,083
Netherlands	31,284	2,772	9,341	4,108	19,919
Spain	—	—	1,003	1,003	152
United Kingdom	1,775	1,820	2,296	2,296	8,922
Czechoslovakia	—	—	—	—	15,184
Poland	—	—	—	—	9,921
Algeria	12,225	13,888	—	—	—
China, Taiwan	—	2,204	4,235	4,235	—
India	—	—	2,800	2,800	—
Japan	52,308	114,738	62,491	55,130	86,618
Pakistan	—	—	—	—	22,462
Total	214,817	155,267	91,041	78,447	218,589

[1] Preliminary.
Dominion Bureau of Statistics, Ottawa.

Pakistan's Mustard, Rape Acreage Declines

According to the first official estimate, Pakistan's 1965-66 combined rapeseed and mustardseed acreage is placed at 1,615,000 acres, compared with a corresponding estimate of 1,664,000 acres a year ago. The final estimate for 1964-65 was 1,666,000 acres. The indicated acreage for this year is 15 percent below the 1955-59 average.

The crop now being harvested (January-April), assuming normal yields, may approximate 320,000 tons. Field observations have indicated that the crop in the southern area of West Pakistan appeared favorable.

El Salvador Announces New Cotton Measure

On March 4 the Government of El Salvador announced it would permit the Cotton Cooperative to open a line of credit of up to 3 million colones (US$1.2 million) for a fund to support domestic cotton prices. The funds will be made available for the 1966-67 crop. Central Bank Credit will reportedly be made available on a long-term, low-interest basis with a grace period on repayment.

Authorities in El Salvador estimate that the Cotton Cooperative will be able to pay growers of the 1966-67 crop a price of about 25 colones per quintal of middling, unginned cotton (about 9.86 U.S. cents per pound of unginned cotton). This compares with 24.73 colones for the 1964-65 crop and an estimated 23.38 for the current crop.

In addition, the Ministry of Agriculture will create a special section which will work exclusively on cotton research, to provide producers with technical information. Technical assistance in conservation practices and government-owned equipment will be made available to growers at low cost.

The 1965-66 cotton harvest is now underway, and indications are that production will be no more than 250,000 bales (480 lb. net), down sharply from the record 1964-65 production of 350,000. Despite record production last year, average yields were down. Rising production costs may cause farmers to shift to other crops, such as corn and rice, if the price increase to growers should not materialize.

Canada's 1965-66 Seed Picture

Canadian seeds are moving very well into export channels during the current crop year, and no burdensome carryovers are anticipated despite the heavy 1965 outturn of certain forage seeds. The visits of two Canadian seed missions to Europe have been followed by increased sales to the Continent.

Alfalfa seed production in 1965, at 2.4 million pounds, was well below the 1954-65 average of 4.1 million, but an above-normal carryover of 2.8 million pounds from the 1964-65 crop year has eased the supply situation somewhat. Poland has already purchased all the exportable supplies for the current year. Imports from the United States of alfalfa varieties not grown for seed in Canada are running well ahead of the usual level.

The 1965 outturn of *timothy* seed has been revised upward to 18.2 million pounds as a result of higher than anticipated yields in Manitoba. The usual production pattern was upset this year when a heavy crop (about 10 million pounds) of Climax was harvested in western Canada, while output of the other popular varieties in eastern Canada was light. Canadian farmers are taking advantage of unusually low prices for Climax, and the rapidly expanding foreign market for this variety is expected to reduce stocks to a manageable size by the end of the crop year. Canada is currently importing more commercial timothy seed from the midwest United States than usual.

The 1965 out turn of *meadow fescue* seed—produced mainly in Manitoba—is estimated at 4.7 million pounds, more than double the 1954-65 average of 2.3 million. Reportedly, all seed above immediate domestic needs has already been exported.

The 20.6-million-pound harvest of *creeping red fescue* in 1965 was one of the largest crops ever produced. A good market in the United States and a number of other countries has kept this seed moving rapidly into export channels. Carryover into the 1965-66 crop year is not expected to exceed 5-6 million pounds, indicating current crop-year exports of close to 15 million pounds.

A firm domestic and export demand exists for *clover* seeds, with the record *alsike* crop in particular moving freely to other countries.

The quality of *cereal* seed was below average in 1965, particularly in western Canada where crops were affected by extreme heat prior to harvest, unfavorable harvest weather, and frosts. Supplies of seed *wheat* are expected to be adequate although quality may be somewhat below average. Sufficient supplies of seed *barley, flaxseed,* and *rapeseed* are available, with the exception of a few varieties. The only shortage in domestic requirements could occur in top grades of *oat* seed. The late 1965 harvest reduced germination levels to the point where imports of high-quality seed may be required.

Although the *corn* harvest in southern Ontario was hampered last fall by adverse weather, the seed corn outturn was not seriously affected. Canada will continue this year to import from the United States corn varieties not grown for seed in Ontario.

Production estimates of the 1965 forage-seed crops have been revised recently in light of new information.

CANADA'S PRODUCTION OF ALFALFA, CLOVER, AND GRASS SEEDS

Seed	Average 1954-65	1964	Estimated 1965
	1,000 lb.	*1,000 lb.*	*1,000 lb.*
Alfalfa	4,061	4,211	2,380
Red clover, double-cut	4,484	5,451	2,840
Red clover, single-cut	5,634	4,401	6,470
Alsike clover	8,954	7,183	17,950
Sweet clover	13,839	12,510	11,765
White clover	60	454	382
Timothy	15,741	14,042	18,175
Bromegrass	7,346	7,632	6,850
Crested wheatgrass	1,765	1,531	920
Creeping red fescue	11,791	11,023	20,600
Kentucky bluegrass	411	116	208
Meadow fescue	2,321	1,274	4,698
Russian wild ryegrass	[1]467	1,100	125
Bird's-foot trefoil	[2]450	1,011	700

[1] Seven-year average. [2] Five-year average.

Canadian Department of Agriculture, *General Seed Crop Report.*

Grain Stocks Down in Exporting Countries

Stocks of grain in the United States, Canada, Argentina, and Australia on January 1, 1966, totaled 214 million metric tons, according to estimates of the Foreign Agricultural Service.

Supplies of wheat, rye, barley, oats, and corn in the four countries were 2 percent below the aggregate of a year earlier and the lowest since 1958.

Wheat stocks declined 10 percent during the year to 75 million tons, also the lowest level since 1958. Corn supplies gained by about 4 percent to 105 million tons. Quantities of other grains were only slightly lower.

A detailed table and analysis are published in the March issue of the *World Agricultural Production and Trade—Statistical Report.*

Ontario's Flue-cured Auctions Close

Sales of the 1965 crop of flue-cured tobaccos in Ontario, Canada, ended on March 3, 1966—the second earliest closing date under the present marketing board, which was established in 1957. The earliest closing date was February 25, 1965.

Sales for the season amounted to 154 million pounds at a record average price of 65.95 Canadian cents per pound. The average price for the 1965 crop was 9.3 cents a pound higher than the 1964 average of 56.66 cents, when 136.5 million pounds were sold.

U. K. Cigarette Sales Down

Cigarette sales in the United Kingdom last year totaled 112 billion pieces—down 2.1 percent from the 1964 figure of 114.4 billion and 2.8 percent from the 1963 high of 115.2 billion.

Filter-tipped cigarettes last year accounted for 53 percent of total sales, compared with 41.8 percent in 1964 and 32.8 percent in 1963. The rising trend in sales of filter tips continued to reduce the finished weight of 1,000 pieces of cigarettes from 2.06 pounds in 1963 to 1.97 in 1965. In terms of weight, cigarette sales last year amounted to 220.7 million pounds—down 4.4 percent from the 1964 figure of 230.8 million and 7.2 percent from the 237.8 million of 1963.

Sales of smoking mixtures for "roll your own" cigarettes and pipes totaled 30.7 million pounds, compared with 32.5 million in 1964 and 32.8 million in 1963. Sales of snuff equaled the 800,000 pounds sold in 1964. Cigar sales rose to 700 million pieces from 590 million the previous year.

Combined sales of all tobacco products in 1965 totaled 255.1 million pounds, compared with 266.8 million in 1964 and 273.5 million in 1963.

WORLD CROPS AND MARKETS INDEX

Cotton

14 El Salvador Announces New Cotton Measure

Dairy and Poultry Products

12 Denmark's Butter Exports Rising
12 France Increasing Nonfat Dry Milk Output

Fats, Oilseeds, and Oils

13 Suez Canal Northbound Shipments in January
13 Canadian Rapeseed Exports Up Sharply
14 Pakistan's Mustard, Rape Acreage Declines

Fruits, Vegetables, and Nuts

12 Israel's Citrus Export Picture Brightens
12 South Africa's 1966 Canned Fruit Pack
12 Spanish Table-Olive Pack Revised

Grains, Feeds, Pulses, and Seeds

14 Canada's 1965-66 Seed Picture
15 Grain Stocks Down in Exporting Countries

Tobacco

15 Ontario's Flue-cured Auctions Close
15 U.K. Cigarette Sales Down

Correction: March 21 issue of *Foreign Agriculture,* page 7, paragraph 2, line 2, should read: ". . . to an additional $730 million. . ."

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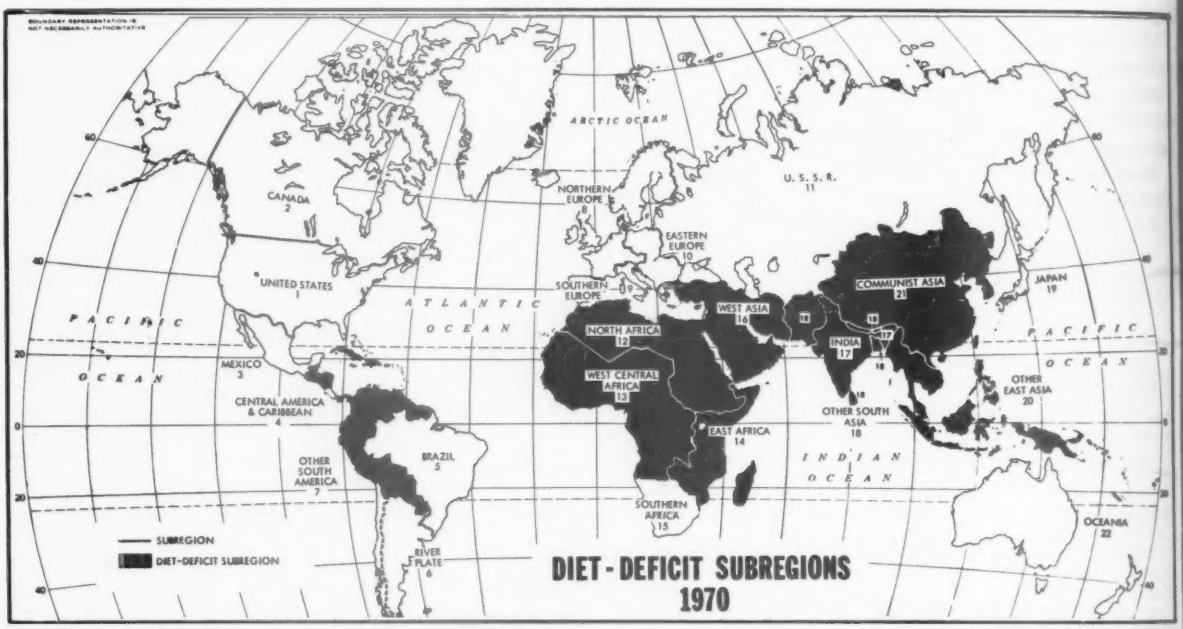
Despite Improvements, World Still Faces Food Deficits in 1970



U.S. DEPARTMENT OF AGRICULTURE — NEG. ERS 3084-64(9) ECONOMIC RESEARCH SERVICE

The world's farmers, in the years immediately ahead, can be expected to continue improving their food output—but, unfortunately, not fast enough to offset the rapid rise in population.

As a result, 1970 will dawn upon a remaining nutritional deficit in most of Africa and Asia and a big portion of Latin America, according to *The World Food Budget*, published at irregular intervals by the Economic Research Service.

In 1959-61, the food consumption of people in these areas—which contain two-thirds of the world's population—averaged 900 calories below the level of the other one-third of the world and 300 calories below the minimum nutritional standard of 2,300 required for normal activity and health. Daily consumption of protein was less than two-thirds that of diet-adequate countries.

Although both the quality and per capita intake of food is expected to increase by 1970, much of the improvement will need to come from higher imports—largely as food aid. Daily calorie intake is anticipated at 8 percent above the 1959-61 level of 2,000, and consumption of protein is expected to rise by 10 percent.

The forecast calorie gap between the nutritionally adequate and the diet-deficit nations in 1970 will be the equivalent of 54 million metric tons of grain. The deficit in animal protein will equal 6½ million tons of nonfat dry milk. Over 3 million tons of soybeans would be needed to meet the vegetable-protein deficit, while the fat deficit would require an equal amount of vegetable oils. Countries of the Far East account for about 93 percent of this gap, with 62 percent in Communist Asia.

The cost of the food deficit in non-Communist, diet-deficient countries alone is estimated at $2.5 billion—the equivalent of one-tenth of the grain, one-fifth of the milk and soybeans, and one-third of the vegetable oils produced annually in the United States.